

ORIGINAL

CITY OF BELLEVUE, WASHINGTON

RESOLUTION NO. 8276

A RESOLUTION authorizing the City Manager or his designee to execute an updated Term Sheet with Sound Transit, directing the City Manager to provide public outreach regarding the East Link Project, directing the City Manager to provide certain financial information, and establishing principles to guide further negotiations with Sound Transit.

WHEREAS, the Bellevue City Council has a long history of expressing support for regional transportation projects, including high-capacity transit; and

WHEREAS, in 2005, the Bellevue Council updated its Future High Capacity Transit Interest Statement, which articulated the City's principles for an efficient, effective and reliable transit system linking Seattle, Bellevue and Redmond, and

WHEREAS, voters approved ST2 providing funding for a regional high-capacity transit system for the Central Puget Sound region in 2008; and

WHEREAS, the East Link Project was included within ST2 and establishes a high-capacity transit connection between Seattle, Mercer Island, Bellevue and Redmond; and

WHEREAS, the City has invested significant time and resources to identify the potential benefits and impacts of a high-capacity transit system, which efforts have included formation of a Light Rail Best Practices committee and the significant planning efforts for the Bel-Red corridor to complement Sound Transit's role as the regional high-capacity transit provider and to inform all decision-makers with respect to an eastside transportation project; and

WHEREAS, in previous planning work and interest statements, the Bellevue City Council has consistently indicated the importance of serving Downtown Bellevue, the region's most dynamic economic engine, with high-capacity transit; and

WHEREAS, in previous planning work and interest statements, the Bellevue City Council has consistently indicated the importance of protecting our neighborhoods from the negative impacts of high-capacity transit; and

WHEREAS, in previous planning work and interest statements, including Transportation Element Policy TR-75.5, the Bellevue City Council has consistently indicated the importance of protecting our roadway network capacity from being reduced by the installation of high-capacity transit; and

WHEREAS, the Bellevue City Council has endorsed the C9T tunnel alignment as the appropriate profile through Downtown Bellevue, because of the consistency with the Comprehensive Plan, including Light Rail Best Practices, improved system ridership, better noise mitigation, increased safety, reduced visual impacts, and avoidance of congestion and road capacity impacts offered by such a profile; and

WHEREAS, in previous planning work and interest statements, including Transportation Element Policy TR-75.5, the Bellevue City Council has consistently indicated that any alignments that run at-grade in or through our Central Business District are unacceptable and inconsistent with the City's Comprehensive Plan, Land Use Code and Light Rail Best Practices; and

WHEREAS, Sound Transit identified a variety of alignments through Bellevue for the East Link Project in its Draft Environmental Impact Statement (DEIS), including several tunnel alignments with substantial cost implications when compared to surface alignment alternatives; and

WHEREAS, the City cooperated with Sound Transit to develop a shorter and more cost effective downtown tunnel alignment, now known as the 110th Avenue Northeast Tunnel Alternative (C9T); and

WHEREAS, based on Sound Transit's project cost estimates from 2007, a tunnel alignment through downtown Bellevue was estimated to cost approximately \$320 million more than an at-grade alignment; and

WHEREAS, in a previous term sheet authorized in 2010, the City and Sound Transit identified a framework for bridging the cost difference between a tunnel and at-grade alignment in downtown Bellevue, with Sound Transit contributing \$75 million (2007\$) in cost savings and \$95 million (2007\$) in additional financing capacity the City contributing up to \$150 million in 2007\$; and

WHEREAS, the City has consistently indicated concerns with impacts of the East Link Project on portions of the City outside of the downtown, particular with respect to impacts related to noise, transportation system impacts, visual impacts and impacts to neighborhood character; and

WHEREAS, by letter dated February 25, 2009 conveying comments on the DEIS, the City requested that Sound Transit explore alternatives to the DEIS alignments identified for the B-segment of East Link; and

WHEREAS, by letter dated March 9, 2010 following a joint workshop with the Sound Transit Board, the City identified its preliminary preferred B-segment alignment (B7); and

WHEREAS, the Supplemental Draft Environmental Impact Statement (SDEIS) published in November 2010 included additional alignments for the Project, including the B-Segment. Among these additional alignments is the alignment that Sound Transit has identified as its preferred alternative (B2M); and

WHEREAS, the City recognizes that Sound Transit continues to identify B2M as its preferred B-Segment alignment with publication of the Final Environmental Impact Statement (FEIS) on July 15, 2011, and

WHEREAS, the City recognizes that the Sound Transit Board has identified B2M as its preferred B-Segment alignment with the adoption of Resolution 2011-10 on July 28, 2011; and

WHEREAS, the Sound Transit Board adopted Resolution R2011-10 selecting the route, profiles, and station locations for the East Link Project; and

WHEREAS, the City and Sound Transit have both identified D2A as the preferred alignment in the D-Segment and the City supports cooperative efforts between Sound Transit and the property owners at the Spring District station to achieve a grade separated alignment between 120th and 124th Avenue NE; and

WHEREAS, Sound Transit will be required to obtain permits and approvals from the City, as a municipal government with jurisdiction over a portion of the East Link route, during the course of the Project; and

WHEREAS, the City has independent obligations, under applicable local and state law, to perform environmental and other reviews of the East Link Project portions which are within the city limits of Bellevue (hereinafter "Project"), which obligations are not waived or compromised in the Term Sheet; and

WHEREAS, to achieve a cooperative alignment, the City requires additional modifications to the B2M alignment designed to mitigate impacts that continue to be of concern to the City and its residents, including noise, transportation system, visual, neighborhood character and parks impacts; and

WHEREAS, continued negotiations between the City and Sound Transit represent an opportunity to determine whether a cost sharing approach for a City contribution to the C9T tunnel and a cooperative alignment throughout Bellevue can be identified and agreed to between the agencies; and

WHEREAS, a cooperative approach between the City and Sound Transit for the life of the East Link Project represents a significant opportunity to assist Sound Transit to ensure that the Project delivers the level of service expected by the region and City residents and businesses; and

WHEREAS, following execution of the updated Term Sheet, significant effort remains to establish the final terms of a binding umbrella memorandum of understanding; and

WHEREAS, as of the date of the updated Term Sheet and this Resolution, the following information is still to be determined: the estimated revenues allocated by Sound Transit to the Bellevue portion of the Project; the estimated costs of the Bellevue portion of the Project; the estimated revenues Sound Transit has allocated to Segment "C"; the estimated cost of C9T; the estimated funding gap that is the subject of the updated Term Sheet; the details of any Sound Transit proposed mitigation and the costs thereof; the defined project list to be completed by Bellevue as its contribution to reducing Sound Transit's gap for the C9T; and the financial implications and planning that will need to be undertaken by the City to cover its contributions to reducing the Sound Transit gap for the C9T; and

WHEREAS, the Bellevue City Council desires to establish broad negotiating principles as the agencies move to the next stage of discussions; now, therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES
RESOLVE AS FOLLOWS:

Section 1. The City Manager or his designee is hereby authorized to execute the updated Non-Binding Term Sheet with Sound Transit, a copy of which updated Term Sheet is attached hereto as Exhibit "A" and has been given Clerk's Receiving No. 47791.

Section 2. The City Manager is directed to develop and implement a process for public engagement and outreach for consideration of alignment revisions, and to provide updates to Council regarding public feedback, such engagement and outreach to be completed at least four (4) weeks prior to execution of the Umbrella MOU.

Section 3. In addition to the principles established between the parties by the Non-Binding Term Sheet, the following principles should guide the City's further discussions with Sound Transit for the binding umbrella memorandum of understanding:

1. Mitigation for the impacts of the Project, including noise, transportation system impacts, visual impacts, impacts to neighborhood character and impacts on parks and the historic Winter's House, shall comply with the City's codes, the principles of the Light Rail Best Practices committee work, the Comprehensive Plan, and any other applicable laws;
2. The City's willingness to become a financial partner in the Project is premised on an agreement as to a cooperative alignment throughout the City;

3. City contributions to the Project should emphasize the opportunity to reduce Project costs at the lowest cost to the City, including consideration of actions that both meet other City goals and Project objectives and actions within the City's control to mitigate Project risk;
4. As a financial partner in the Project, the City must have appropriate levels of participation, commensurate with its contribution and the final level and structure of risk and benefit sharing, in project design, construction implementation, budget development and project cost oversight;
5. City participation in risk and benefit sharing must be structured with consideration of those areas of the Project within the City's control or influence, and after an appropriate definition of Project scope, identification of revenue sources, identification of how Project cost savings are applied, and procedures for confirming and reconciling Project expenditures;
6. The City and Sound Transit should work cooperatively to reduce the overall costs of the Project and to seek additional outside financial resources to reduce the City's and Sound Transit's costs;
7. Cooperation between the parties at all levels and during all phases of the Project has significant value and creates potential to realize Project cost savings; and
8. The binding umbrella memorandum of understanding must be consistent with the City's independent obligation to review and determine the appropriate actions on future permits or approvals for the Project, consistent with state and local laws and regulations.

Section 4. The City Manager is directed to address, in future discussions of progress on the binding umbrella memorandum of understanding, the financial implications for the City's investment based on the level and timing of resources anticipated to be contributed to the Project, including its impact on the City's budget and the implications for the City's tax policy, including property taxes and local improvement district taxes.

Section 5. After such time as the City Manager has provided the Council and the public with the information described in Section 4 above and the City Manager has completed the process described in Section 2 above, the City Council shall hold at least one public hearing to take citizen input on the terms of the Umbrella MOU.

Section 6. The City Manager is directed to work with Sound Transit to value engineer the Project and identify cost savings and the cooperative alignment.

Section 7. The City Manager is directed to create a Project Plan, Schedule and Budget for presentation to the Council on September 6, 2011. Such Plan, Schedule and Budget will generally indicate the steps for enabling the Council's consideration of a binding Umbrella MOU. Such Project Plan, Schedule and Budget will contain, among other things, the following elements:

1. The method for reaching a cooperative alignment, including any third-party consultants that needs to be retained to assist the City's efforts in this regard;
2. The method for identifying and negotiating the mitigation of impacts, including any third-party consultants that need to be retained to assist the City's efforts in this regard;
3. Identifying the process to finalize a project list for the contributions contemplated in the Term Sheet and the implications on the City's budget as identified in Section 4 above;
4. Identifying the process for quantifying the C Segment gap that the City and Sound Transit are working to close;
5. The plan for drafting the Umbrella MOU;
6. The usage and retaining of any outside third party assistance that will be necessary in developing information for use in drafting the MOU, auditing Sound Transit's budget, or other tasks necessary to reach an Umbrella MOU;
7. Such other items as the City Manager deems necessary or desirable to enable the Council to decide on the Umbrella MOU;
8. The estimated timelines for each of the above seven items; and
9. The estimated costs for each of the above seven items.

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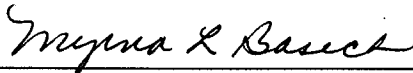
Passed by the City Council this 8th day of August, 2011,
and signed in authentication of its passage this 8th day of August,
2011.

(SEAL)



Don Davidson, DDS
Mayor

Attest:



Myrna L. Basich, City Clerk